Memorandum

MIAMI-DADE COUNTY

Date: March 10, 2005

To: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

From: George M. Burgess County Manager

Subject: MDFR Fleet Maintenance

I am pleased to transmit the attached report summarizing the results of the Miami-Dade Fire & Rescue (MDFR) heavy fleet maintenance pilot program. The Office of Strategic Business Management (OSBM) has concluded that the pilot was a success, resulting in net savings to the County overall of approximately $1,000,000 in FY 2003-04, of which $302,000 is potentially recurring. Savings to the Fire District, relative to its annual budget target, were $1.47 million in FY 2003-04.

The attached report also addresses the Board's September 23, 2004 request that staff examine the potential for similarly transferring the responsibility for light/ medium fleet maintenance to MDFR from the General Services Administration (GSA). OSBM's review of the limited data available indicates that the transfer of MDFR light fleet maintenance responsibilities would likely not result in cost savings. Additionally, OSBM concluded, and I concur, that the most productive approach to addressing service delivery issues is one that results in improvements to the centralized vehicle services model operated by GSA.

Heavy Fleet Maintenance Close-out

In January 2003, Miami-Dade Fire Rescue (MDFR) assumed responsibility for the maintenance of its heavy emergency vehicle fleet from the General Services Administration (GSA) on a pilot program basis under terms established in a Memorandum of Understanding (MOU) signed by the parties, including a former County Manager, and approved by the Board of County Commissioners. The pilot program was intended to address the unique service needs of heavy emergency vehicles, while committing MDFR to annual savings of at least $500,000. A permanent determination regarding organizational placement of the heavy fleet maintenance function was to be conditioned on the results of a close-out conducted following the conclusion of Fiscal Year 2003-04.

Using two different methodologies in its financial analysis, OSBM determined that the pilot resulted in savings to the County overall, as well as the Fire District. The report also notes a number of qualitative improvements implemented by MDFR, including an online reporting system that has allowed for more efficient scheduling of vehicle maintenance and repairs and a fully automated barcode system for parts inventory management. The pilot did result in a minor negative impact to the General Fund, possibly in the $150,000 range for FY 2004, due to a net transfer of overhead expenses from MDFR to other GSA customers. OSBM will work with MDFR to address this and other allocation issues within the context of broader, ongoing discussions regarding Fire District cost allocation matters.

MDFR Light/Medium Fleet Maintenance

In addition to managing the heavy vehicle maintenance operations, MDFR has proposed to take over light and medium vehicle maintenance and repair from GSA Fleet Management. OSBM's initial

MIAMI-DADE FIRE & RESCUE

HEAVY FLEET MAINTENANCE CLOSE-OUT & REVIEW OF LIGHT/MEDIUM FLEET PROPOSAL

MIAMI-DADE COUNTY
OFFICE OF STRATEGIC BUSINESS MANAGEMENT
PERFORMANCE IMPROVEMENT DIVISION

JANUARY 2005

unfilled vacancies (estimated at $149,000). The primary increase in costs during FY 2003-04 was personnel expense, which was partly offset by the savings from positions held vacant resulting in a net increase of $86,000. There are likely net sustainable savings to the County overall associated with MDFR retaining heavy fleet maintenance services, primarily attributable to the reduction in use of outside commercial subcontractors.

There has been a minor negative impact to the General Fund resulting from the redistribution of GSA overhead charges from MDFR to other customers, possibly in the $150,000 range for FY 2003-04. OSBM and MDFR are currently discussing a number of issues regarding the allocation of expenses between the Fire District and the General Fund that are unrelated to the heavy fleet maintenance pilot. Consequently, OSBM will work with MDFR to resolve the heavy fleet maintenance issues within the context of these broader discussions.

Attachment B provides additional detail concerning sustainable and one-time savings as well as the General Fund impact.

Qualitative Assessment

In addition to examining cost information, this report also discusses several qualitative improvements implemented by MDFR. Most important among them has been the implementation of an on-line reporting system. The system provides valuable and timely information on each major piece of equipment to MDFR managers, and allows for smoother scheduling and more flexible management decisions. MDFR has also moved to a fully-automated barcode system that allows for real-time management of parts inventories. There are a number of other important changes that have taken place since the transfer, particularly in the area of personnel retention and certification. The transition to MDFR has resulted in more accountability and a more timely achievement of certain operational improvements.

MDFR Light/Medium Fleet Maintenance

At this time, transferring responsibility for MDFR light/medium vehicle maintenance operations from GSA to MDFR is not recommended, as the analysis does not indicate that the proposed transfer would result in cost savings to MDFR or to the County overall.

The initial assessment indicates that the transfer of MDFR light fleet maintenance responsibilities would likely not result in cost savings. Unlike the case for heavy fleet, the transfer requires building retrofits and new capital equipment. The proposed model also points to increased personnel costs associated with a new supervisory position, and higher pay grades and new certifications for mechanics. A review of limited available expense data does not identify potential offsetting expense reductions.

Improving GSA's centralized vehicle services model, potentially to include implementation of certain strategies employed by MDFR, is the best approach for the

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ATTACHMENTS

Financial Assessment

OSBM estimates that in FY 2003-04, the pilot resulted in savings to the Fire District of $1.47 million. Of this amount, we estimate that $439,000 in savings stemmed from the transfer of administrative expenses from the Fire District to other GSA customers. This increased the overhead distributed to remaining customers, resulting in a negative impact on the General Fund of approximately $150,000. The remaining $958,000 represents savings to the County overall, of which approximately $656,000 constitutes one-time savings and $302,000 is potentially recurring. The negative impact on the General Fund would have been greater in the absence of annual rent payments from MDFR to GSA for the use of GSA facilities, set at $126,000 under the MOU. Attachment B contains a table that summarizes the results of the financial assessment.

To develop these estimates, OSBM applied two different methods: a *charge-to-cost* comparison and a *cost-to-cost* comparison. Taken together, they provide some insight into the financial impact of the pilot, even though there are certain significant changes that took place in the MDFR heavy fleet maintenance operation between 2001 and 2004 for which neither method can fully adjust. These include: achievement of additional technical certifications that made in-house performance of a wider variety of complex repairs more feasible (see "Mechanic Training and Certification"); changes in the mix of vehicles that make up the front-line and reserve MDFR heavy fleet (Attachment D); changes in the inspection policy for certain types of emergency vehicles; extended warranties negotiated for purchases of a particular brand of engine used in many of the newer vehicles; and costs associated with the implementation of MDFR's Automated Inventory Management System and On-line Reporting System (see "Operational Improvements" below) that were not allocated to the Fire Shop.

Charge-to-Cost Comparison

The first methodology compares MDFR's actual *costs* of providing fleet maintenance service to its heavy emergency vehicles to the total expected *charge* MDFR would pay to GSA for performing the same service. Under this method, which was implied by the language of the MOU and similarly employed by MDFR in evaluating its heavy fleet maintenance costs against the MOU budget target, the department achieved a net savings to the Fire District of $1.38 million in FY 2002-03 and $1.47 million in FY 2003-04 relative to the $4.475 million MOU target. The savings exceeds the minimum $500,000 annual goal established in the MOU. Attachment E contains MDFR's initial high-level calculation of the savings achieved during the year of the transfer, and the adjusted calculations prepared by OSBM as a result of additional discussions with MDFR.

It is important to note that GSA's charges to MDFR (and all its customers) included a 25 percent mark-up on parts, ten percent mark-up on commercial subcontracting and an element of overhead that built in to GSA's hourly labor rate. (Attachment F illustrates the process by which GSA calculates the average hourly flee-wide labor rate used in developing budget estimates.) By operating its own heavy fleet maintenance shop, MDFR avoids paying these charges to GSA, resulting in a savings to the Fire District.

continue to be a significant factor in offsetting higher overall personnel expenses. However, the future increases in personnel costs would likely be similar regardless of whether the Fire heavy fleet maintenance function is performed by GSA or MDFR.

Other categories in which expenses increased from FY 2001-02 to FY 2003-04 were rent payments to GSA required in the MOU, and fuel and lubricants (due to the higher proportion of engine and transmission repairs performed in-house during FY 2003-04).

General Fund Impact and Other Administrative Issues

In addition to the redistribution of overhead expenses, OSBM believes that there may have been certain negative impacts to the General Fund associated with a number of cost allocation issues. The issues include the allocation of capital improvement costs at the Fire Shop facility, expenses associated with contract management services and technical services provided by GSA, and lingering questions concerning inventory transfers. The MOU had required a $126,000 annual rent payment to help offset these impacts. The rent payment was waived as a part of the Board's adopted FY 2004-05 budget.

OSBM and MDFR are currently discussing a number of issues regarding the allocation of expenses between the Fire District and the General Fund that are unrelated to the heavy fleet maintenance pilot. Consequently, OSBM will work with MDFR to resolve the heavy fleet maintenance issues cited above within the context of these broader discussions.

Qualitative Assessment

OSBM believes that MDFR has made significant operational improvements to the heavy fleet maintenance function during the pilot phase. MDFR has devoted additional resources to specialty training for mechanics as well as the development of tools and programs to make their operation run more efficiently. These improvements have most likely contributed to an overall reduction in out-of-service time for emergency vehicles, and made some of the above-mentioned cost savings possible.

Mechanic Training and Certification

The increase in the number of Fire Shop mechanics holding technical certifications achieved during the pilot phase has enabled a broader range of complex repairs to be performed in-house. Automotive Service Excellence (ASE) and Emergency Vehicle Technician (EVT) Certification Commission are the two agencies that provide technical examinations on a nationwide basis biannually. In part due to financial incentives provided by the County, by the end of FY 2002-03, six Fire Shop mechanics had obtained additional ASE or EVT certification levels, and by the end of FY 2003-04, eight mechanics had obtained additional ASE or EVT certification levels. Attachment K provides details on the number of Fire Shop mechanics that had achieved various ASE and EVT certification levels as of the end of FY 2002-03 and 2003-04.

MDFR LIGHT/MEDIUM FLEET MAINTENANCE

In addition to managing the heavy vehicle maintenance operations, MDFR has proposed to take over light and medium vehicle maintenance and repair from GSA Fleet Management. If the proposal is accepted, MDFR would take over a building[1] it currently shares with GSA at the S.W. 87th Avenue complex, retro-fit it, and perform repairs and maintenance on its entire light and medium fleet of 398 automobiles, pickups and cargo vans. It should be noted that MDFR's "medium" fleet consists of non-emergency vehicles weighing in excess of 10,000 lbs.

MDFR's business plan calls for consolidation of light/medium and heavy fleet maintenance operations under a single Fire Shop. The operations would share parts inventory functions and collaborate with the department's Logistics Division Support Office for scheduling vehicle service and monitoring performance. Attachment M and its sub-attachments contain the information provided by MDFR in support of its proposal including: a business plan summary, cost estimates, table of organization, shop lay-out, and equipment requirements.

At the second budget hearing in September 2004, the Board requested that staff examine the potential for transferring the maintenance of MDFR's light/medium fleet from GSA and report back to the Board within 90 days.

Findings

At this time, the transfer of MDFR light and medium vehicle maintenance operations from GSA to MDFR is not recommended. Our initial assessment indicates that the transfer of MDFR light fleet maintenance responsibilities would likely not result in cost savings, as it would require the purchase and installation of duplicative capital equipment and building retrofits. Additionally, the initial MDFR proposal, which incorporates the use of higher certifications and pay grades, would also likely increase operating costs. These higher certifications and pay grades associated with the proposed MDFR operation would likely have a negative morale impact on light maintenance mechanics that do not receive similar opportunities.

Our review of the limited available expense data identified factors that could compensate for a portion of these cost increases. For instance, the necessity for additional capacity at the S.W. 87th Avenue site could mitigate the increased capital costs associated with the proposed transfer, while the transfer would allow MDFR to shed its share of GSA overhead. Neither of these, however, would likely offset cost increases to the County overall.

OSBM believes that the most productive approach to resolving MDFR's concerns is one that results in improvements to the centralized vehicle services model operated by GSA.

[1] The building in question is identified in Attachment M4 as "MDFR Light Fleet Shop Facility". The same structure is identified as "Building 6" in Attachment I to the MOU.

Miami-Dade County
Memorandum of Understanding:
Transfer of Heavy Fleet Maintenance Assets and Operations from
General Services Administration to Miami-Dade Fire Rescue

Introduction

This Memorandum of Understanding (MOU) establishes the terms and general principles for the transfer of heavy fire fleet maintenance from the General Services Administration (GSA) to Miami-Dade Fire Rescue (MDFR). The transfer of this function is intended to address the unique service requirements of MDFR without increasing program costs, or negatively impacting the General Fund. Light fleet maintenance will continue to be performed by GSA, while tire repair operations will be performed by MDFR.

The transfer of assets and operational responsibilities will take effect January 3, 2003. Following an initial two-year period ending September 30, 2004, the County Manager will review MDFR's costs and performance and determine whether the function should remain with MDFR or return to GSA.

The terms of this transfer agreement have been mutually developed through a series of meetings with representatives from MDFR, GSA, the Office of Performance Improvement (OPI) and the Office of Management and Budget (OMB).

Background

GSA Fleet Management provides vehicle maintenance and repair services to a number of County departments, including MDFR. MDFR vehicles, like all vehicles serviced at GSA, are characterized as "heavy" or "light". Heavy equipment includes rescue trucks, fire engines, aerial vehicles, platforms, tanks and specialty vehicles. Light equipment includes sedans and small trucks and vans. This MOU applies solely to the maintenance of heavy equipment as performed at GSA's Fire and Tire Shops, located within its complex at 6100 S.W. 87th Avenue (see Attachment I), to four mobile mechanic units currently assigned to perform light preventive maintenance and repairs, and the minor function of on-site tire repairs.

MDFR will continue to use GSA maintenance services for its light fleet and for repair to heavy, non-emergency response vehicles that are performed at various GSA fleet maintenance facilities.

While MDFR has noted the sound business principles and management practices of GSA's Fleet Management Division, it has expressed concerns regarding the unique operating requirements of its heavy fleet. Due to public safety requirements, vehicles must be in good working condition to the greatest extent possible. Maintenance and repair services must be obtainable on a daily, 24-hour basis and must be completed in a timely fashion. When lengthy repair times necessitate the change-out of rescue equipment to spare vehicles, out of service times increase, often causing service level reductions to the public. These requirements are amplified by the extreme weather and road conditions to which vehicles are frequently subjected.

Effective January 1, 2003, all cost associated with the operation and maintenance of the Fire Shop will become the direct responsibility of MDFR and will be so reflected in the FAMIS system. MDFR is expected to maintain the physical plant and all assets in good working condition.

GSA, MDFR, and OMB will jointly determine an appropriate method of accounting for GSA maintenance and repair service charges performed by GSA's Fire Shop during the billing months of October, November, and December 2002. Effective Tuesday, December 31, 2002, MDFR will begin using its own computer database system to enter vehicle repair order information. The GSA Fire Shop index code will be closed effective COB December 31. Any invoices for purchases by the Fire Shop prior to the transition, but received on or after December 31, will be routinely handled and processed by MDFR. Charges for shared assets, outside services, and public utilities, as stipulated in this agreement, will be billed by GSA to MDFR at regular intervals to be determined.

MDFR has already paid for the existing inventory of heavy fleet parts and no additional payment to GSA will be required. However, for the purpose of determining whether MDFR has met its targeted budget, an adjustment will be made to account for existing inventory utilized during the course of the fiscal year. This amount will be tracked by MDFR but will not be reflected in FAMIS. For the purpose of determining whether MDFR has met its pledged savings goal of $500,000, an adjustment will be made reflecting the fact that MDFR took over operations following the first quarter of the fiscal year. As stated above, anticipated savings for this first fiscal year are thus a minimum of $375,000 (and potentially up to $750,000 for the 9-month period), and are to be used to fund costs associated with the phase in of the Palmetto Bay and Aventura units.

Physical Plant

As of the transfer date, MDFR will occupy and maintain the following facilities at 6100 S.W. 87th Avenue (as noted in Attachment I), currently occupied by GSA:

- Fire Shop (Building 2)
- Tire Shop (Building 4)
- Building cages (within Building # 6)
- Single-width trailer providing Fire office space (Building 2, in space labeled "T7" on Attachment I)

MDFR will pay annual rent of $7.00 per square foot for the use of the Fire Shop (14,000 square feet) and Tire Shop (4,000 square feet), or a total of $126,000 annually ($96,000 for the 9-month period) with a CPI adjustment in year two of the agreement. Within the entire shop complex, GSA and MDFR will share common space and facilities (open areas, lunch room, restrooms, etc.) in a mutually respectful manner. Available parking spaces will be allocated to each department, and appropriately marked, through joint agreement. To facilitate the conduct and staging of work, the area between Building 4 and Building 6 will be divided and marked in order to ameliorate confusion among the parties. Additionally, MDFR agrees that it will take all

Other Assets

MDFR will assume possession of and responsibility for eight (8) vehicles currently utilized by GSA: four (4) mobile trucks, old and new mechanic trucks, lube truck and tire truck. The corresponding vehicle numbers are as follows:

- 05342
- 05354
- 05345
- 05346
- 05344
- 05494
- 05353
- 05502

MDFR will be responsible for paying policy amounts that are commensurate with the current value of the vehicles. GSA will bill MDFR on a monthly basis for these policies. MDFR will continue to pay insurance and maintenance costs on these vehicles.

As stated above, MDFR has already paid the purchase cost of existing heavy fleet inventory and will assume possession of this inventory upon the transfer date. Additionally, MDFR and GSA agree that all other equipment and supplies currently housed and primarily used in the facilities to be transferred under this agreement will belong to MDFR. Details were discussed in the series of joint meetings leading up to this agreement and have been agreed upon by the parties. A list of these items to be transferred to MDFR is included in Attachment III.

MDFR will return four (4) Sunpass transponders to GSA.

MDFR has expressed no plans to utilize GSA's EMS computer system following the transfer. In the event that it requires specialized reports, MDFR will be billed by GSA on a case-by-case basis.

Personnel

A total of 28 positions will be transferred from GSA to MDFR. At the time of writing this MOU, it is anticipated that 21 existing employees will transfer as is detailed below:

# of Positions	Position Title	# of People
1	Facility Supervisor	1
2	Assistant Facility Supervisor	1
2	Auto Parts Specialist 2	2
1	Auto Parts Specialist 1	
19	Heavy Duty Truck Mechanics	15
1	Data Entry Specialist 1	
1	Maintenance Repairer	1
1	Heavy Truck Tire Repairer	1
28 Total		21

IN WITNESS WHEREOF, the undersigned agree to the terms and conditions specified in this MOU.

DATE:

Steve Shiver
County Manager

David Morris, Director
Office of Management and Budget

Chief Charles U. Phillips, Fire Chief
Director, Miami-Dade Fire Rescue

Bernard McGriff, Director
General Services Administration

Alfredo Suarez, Chief
Miami-Dade Fire Rescue Technical Service

Fernando Fernandez, Chief
Miami-Dade Fire Rescue Logistics

ATTACHMENT II
SHOP CONTRACT LIST AND MDFR REQUIRED ALLOCATIONS

Bid No	Type	Item	Expires	Contract Years	GSA Allocation	MDFR Allocation	1/1/2003 prorated $$
127	PARTS	Electronic Repair Parts	9/30/2003	3 Years	$ 225,000.00	$ 50,000.00	$ 1,000.00
245	SUPP	METAL SHELVING, RACKS, BINS, ETC	7/31/2003	1 Year	$ 220,000.00	$ 35,000.00	$ 2,925.00
439	REPR	REPAIRS TO HD ON/OFF ROAD EQUIPTMENT	1/31/2003	3 Years	$ 1,600,000.00	$ 300,000.00	$ 750.00
607	BODY	ALIGNMENT & FRAME REPAIRS	1/31/2003	1 Year	$ 145,000.00	$ 20,000.00	$ 1,667.00
844	GAS	WELDING GASES	6/30/2003	1 Year	$ 30,500.00	$ 5,000.00	$ 2,500.00
924	OEM	PARTS SUPPLIES AND LABOR FOR TOOL REPAIRS	4/30/2003	2 Years	$ 510,000.00	$ 150,000.00	$ 12,500.00
1046	GAS	REFRIGERANT GAS IN CYLINDERS	5/31/2004	3 Years	$ 390,000.00	$ 90,000.00	$ 42,500.00
1070	PART	AUTOMOTIVE PARTS SUPPLIES AND REPAIRS	11/30/2004	2 Years	$ 7,464,000.00	$ 1,500,000.00	$ 1,437,500.00
1099	SERV	TEMPORARY CLERICAL PERSONAL	9/30/2002	1 Year	$ 351,000.00	$ 30,000.00	none
1802	SUPP	SAFETY SHOES AND BOOTS	12/31/2002	1 Year	$ 63,056.00	$ 7,500.00	$ 7,500.00
2618	SERV	TRANSMISSION REPAIR SERVICES	5/31/2003	2 Years	$790,000.00	$ 50,000.00	$ 10,420.00
2926	SERV	PARTS SERVICE AND REPAIR OF FUELING EQUIPMENT	12/31/2002	4 Years	$ 1,129,500.00	$ 160,000.00	none
3250	PART	INDUSTRIAL BEARINGS	7/31/2003	1 Year	$ 44,062.00	$ 10,000.00	$ 5,833.00
3519	SERV	Fire Extinguishers - Purchase	8/30/2003	1 Year	$ 34,000.00	$ 5,000.00	$ 3,750.00
3881	BODY	BODY REPAIR, GROUP 1, 2	11/30/2002	1 Year	$ 2,000,000.00	$ 400,000.00	$ 275,000.00
4227	SERV	GENERATOR PARTS AND REPAIRS	1/31/2003	5 Years	$ 355,000.00	$ 100,000.00	$ 500.00
4418	SERV	TOWING FOR DADE COUNTY VEHICLES	11/30/2002	1 Year	$ 380,000.00	$ 60,000.00	$ 55,000.00
4512	SERV	DUST CONTROL RUGS AND MOPS	2/28/2004	2 Years	$ 42,000.00	$ 5,000.00	$ 2,917.00
4599	OEM	HYDRAULIC PARTS AND REPAIRS	1/31/2003	1 Year	$ 544,500.00	$ 125,000.00	$ 6,807.00
4913	SUPP	RAINWEAR	10/31/2003	1 Year	$ 6,500.00	$ 1,000.00	$ 835.00
4935	SERV	Tire Repair Services	3/31/2003	1 Year	$ 60,000.00	$ 15,000.00	$ 2,250.00
5038	SUPP	Accessories for Police and RESCUSE VEHICLES	5/31/2003	1 Year	$ 10,000.00	$ 10,000.00	$ 4,167.00
5321	PART	NUTS, SCREWS AND BOLTS	11/30/2002	3 Years	$ 118,000.00	$ 30,000.00	$ 16,225.00
5380	OEM	OEM PARTS AND SERVICE	1/31/2005	3 Years	$ 16,193,000.00	$ 2,300,000.00	$ 1,597,222.00
5387	OEM	OEM PARTS AND SERVICE	1/31/2007	5 Years	$ 7,500,000.00	$ 250,000.00	none
5418	ENGN	RADIATOR SERVICE, PARTS AND REPLACEMENT	4/30/2003	3 Years	$ 100,000.00	$ 25,000.00	$ 5,417.00
5437	SERV	LOCKSMITH SERVICES	4/30/2003	2 Years	$ 42,000.00	$ 5,000.00	$ 835.00
5453	SUPP	STEEL AND OTHER METALS	10/31/2002	3 years	$ 250,000.00	$ 40,000.00	$ 3,077.00
5515	GLAS	FURNISH AND INSTALL GLASS	12/31/2002	1 Year	$ 141,000.00	$ 17,000.00	$ 35,000.00
5563	PETR	PETROLEUM PRODUCTS	10/31/2003	1 Year	$ 525,000.00	$ 100,000.00	$ 65,625.00
5581	TIRE	NON-STATE TIRES AND TUBES	12/31/2002	1 Year	$ 450,500.00	$ 250,000.00	$ 75,000.00
5745	OEM	BUS OEM PARTS AND SUPPLIES	9/30/2002	1 Year	$ 484,375.00	$ 450,000.00	$ 69,650.00
5879	SERV	CRANE HOIST INSPECTION AND REPAIR	5/31/2003	1 Year	$ 45,000.00	$ 5,000.00	$ 2,083.00
5936	OEM	TRUCK COVERS, PARTS AND SUPPLIES	5/31/2003	1 Year	$ 200,000.00	$ 50,000.00	$ 12,500.00
6012	SUPP	Bus Washing Chemicals	9/30/2002	3 Years	$ 34,000.00	$ 10,000.00	$ 650.00
6035	SERV	CLEANING BLOODBORNE PATHOGENS	8/31/2004	2 Years	$ 24,000.00	$ 3,000.00	$ 2,625.00
6047	SERV	INSTALL AND REMOVE CAGES FROM MDPD VECHILES	10/31/2002	1 Year	$ 49,750.00	$ 7,500.00	none
6164	TIRE	RECAPPING & SECTION REPAIRS	6/30/2003	1 Year	$ 1,750,000.00	$ 275,000.00	none
6181	SERV	TEMPORARY TECHNICAL PERSONAL	6/30/2003	1 Year	$ 605,500.00	$ 120,000.00	$ 45,000.00
6502	SUPP	GAS AND ELECTRIC WELDING SUPPLIES AND REPAIR	3/31/2006	5 Years	$ 971,000.00	$ 145,000.00	$ 99,100.00
6582	SUPP	Plumbing Supplies and Fixtures	2/28/2004	3 Years	$ 830,000.00	$ 160,000.00	$ 528.18
6634	SUPP	WIPING CLOTHS	5/31/2003	2 Years	$ 130,000.00	$ 20,000.00	$ 4,167.00
6637	SERV	Parts Washer Lease and MAINTENANCE	9/30/2003	1 Year	$ 75,000.00	$ 10,000.00	$ 7,500.00
BW6977	OEM	BRAUN PARTS, REPAIRS & TRANING	11/30/2006	1 Year	$ 99,500.00	$ 10,000.00	none

Attachment III
Asset Inventory

Asset No.	Description	Quantity	Comments
	Pro-Link – New System with Case from this year (2002)	5	Not on Capital Asset List (Fire Shop)
	Radio – Handheld, Fleet_____ and Chargers		Not on Capital Asset List (Fire Shop)
	New Dell Wireless Computers	6	Not on Capital Asset List (Fire Shop)
	Laptop with DVD Drive	1	
23-2192	Small Forklift	1	Not on Capital Asset List (Fire Shop) - belongs to GSA Shop 3D
	Palm Pilot Computer with Cummins Hook-up	6	Not on Capital Asset List (Fire Shop)
	#2 Lift-Equipment (new) ($50,000 plus in 1996 for 1 2001 $70,000)	1	
	Removed parts washer from Fire Shop will Transfer to Truck Shop		
DC#500745	Pro-Link	1	Need Bar Codes
DC#531034	OTC fuel injector tester	1	Need Bar Codes
DC#469212	OTC hydraulic tester	1	Need Bar Codes
DC#469213	OTC Hydraulic tester	1	Need Bar Codes
DC#477456	Wet dry vacuum	1	Need Bar Codes
DC#559306	Robinar A/C machine	1	Need Bar Codes
DC#550553	Robinar A/C machine	1	Need Bar Codes
DC#433911	Drill press	1	Need Bar Codes
DC#473887	Jack	1	Need Bar Codes
DC#433552	Hydraulic press	1	Need Bar Codes
DC#241314	Lincoln welder	1	Need Bar Codes

Attachment III
Asset Inventory

Asset No.	Description	Quantity	Comments
473459	Shop Equipment Jack Hydraulic	1	GSA Inventory Control Report – 02/25/02
473887	Shop Equipment Jack Hydraulic	1	GSA Inventory Control Report – 02/25/02
473888	Shop Equipment Jack Hydraulic	1	GSA Inventory Control Report – 02/25/02
473903	Shop Equipment Tire Changer	1	GSA Inventory Control Report – 02/25/02
473905	Shop Equipment: Jack Air	1	GSA Inventory Control Report – 02/25/02
477456	Vacuum Cleaner, Wet & Dry	1	GSA Inventory Control Report – 02/25/02
500745	Electronic Test Analyzer	1	GSA Inventory Control Report – 02/25/02
505702	Shop Equipment Filter System	1	GSA Inventory Control Report – 02/25/02
536234	Puller Set, Equip. Maint.	1	GSA Inventory Control Report – 02/25/02
537928	Controller, Computer	1	GSA Inventory Control Report – 02/25/02
548360	Shop Equipment Dolly Hydraulic	1	GSA Inventory Control Report – 02/25/02
549612	Shop Equipment Lift Air	1	GSA Inventory Control Report – 02/25/02
549706	Shop Equipment Parts Washer Elec.	1	GSA Inventory Control Report – 02/25/02
549707	Shop Equipment Parts Washer Elec.	1	GSA Inventory Control Report – 02/25/02
549708	Shop Equipment Parts Washer Elec.	1	GSA Inventory Control Report – 02/25/02
549709	Shop Equipment Parts Washer Elec.	1	GSA Inventory Control Report – 02/25/02
549710	Shop Equipment Parts Washer Elec.	1	GSA Inventory Control Report – 02/25/02
550229	Shop Equipment Back Buddy	1	GSA Inventory Control Report – 02/25/02
550553	Ship Equipment Refrigerator Recov.	1	GSA Inventory Control Report – 02/25/02
550613	Shop Equipment Wheel Balancer	1	GSA Inventory Control Report – 02/25/02
559306	Shop Equipment Recyc Station	1	GSA Inventory Control Report – 02/25/02
581238	Shop Equipment Jack	1	GSA Inventory Control Report – 02/25/02
589307	Shop Equipment Refrig. Recov.	1	GSA Inventory Control Report – 02/25/02
592623	Copy Machine Photo-Copier Console	1	GSA Inventory Control Report – 02/25/02
595226	Shop Equipment Oil Filter Crus Air	1	GSA Inventory Control Report – 02/25/02
595241	Shop Equipment A/C Flusher Elec.	1	GSA Inventory Control Report – 02/25/02
595592	Shop Equipment Brake Tester	1	GSA Inventory Control Report – 02/25/02
595593	Shop Equipment Jack	1	GSA Inventory Control Report – 02/25/02

Summary of FY03-04 Financial Impact – MDFR Heavy Fleet Maintenance MOU

Base Budget per MOU	**$4,475,000**
Actual Cost (per cost-to-cost analysis)	**$3,008,322** (1)
Estimated Savings to Fire District	**$1,466,678**

See explanatory notes on following page.

Significant Impacts		FY03-04 Impact Relative to MOU Target	(2)	Fire District Impact		Expense Transfer (recovered from other GSA/Fleet clients)	Likely One-time Only Savings to County	Potential Ongoing Savings to County
GSA Mark-up and Overhead Component of Labor (Estimate)		**$565,000**		**$565,000**	(3)	$565,000		
Cost Reductions/Increases								
Net Cost Reductions					(4)			
Commercial Subcontracting		$556,691		$556,691	(5)			$556,691
Parts Expense		$344,103		$344,103	(6)		$344,103	
Major Machinery, Equipment & Non-Capital Tools		$146,578		$146,578	(7)		$146,578	
SubTotal Cost Reductions		**$1,047,372**		**$1,047,372**				
Net Cost Increases					(8)			
Net Increase in Personnel Expenses		$86,076		$86,076	(9)			
Increase in Personnel Expenses	*$235,314*				(10)			($235,314)
Value of Positions Held Vacant	*-$149,238*				(11)		$149,238	
Fuel & Lubricants		$19,159		$19,159	(12)			($19,159)
Rent Expense		$126,000		$126,000	(13)	($126,000)		
SubTotal Cost Increases		**$231,235**		**$231,235**				
Net effect (savings) of all other categories		**$15,788**		**$15,788**	(14)		$15,788	
Estimation Error		**$69,753**		**$69,753**	(15)	?	?	?
	NET IMPACT	**$1,466,678**		**$1,466,678**		**$439,000**	**$655,707**	**$302,218**

MDFR Fleet Maintenance
ATTACHMENT C

MEMORANDUM

To: Maria M. Casellas, Director
Employee Relations Department

Date: June 13, 2002

From: Bernard McGriff, Director
General Services Administration

Subject: Mechanic Classification Study

For an extended period GSA's Fleet Management Division has been encountering great difficulty in recruiting an adequate number of qualified mechanic candidates for the classifications of Automotive Mechanic (6112), Heavy Duty Truck Mechanic (6114) and Construction Equipment Mechanic (6120). Hiring and retaining skilled mechanics has become a serious concern in our organization and throughout the automotive repair industry in general. The mechanic shortage problem has worsened in the last few years and in turn this has caused very intense competition for qualified, skilled technicians, particularly those who have impressive training and certifications. Attachment 1 is a number of articles related to this problem.

In the past, one major recruitment a year was sufficient to fill mechanic vacancies. Now, however, the number of recruitments is ongoing, and we are still unable to hire the number of mechanics needed to meet our obligations to the departments that are serviced by Fleet shops. Attachment 2 is the results of all recruitments conducted during the past two and a half years. Throughout this time period, Fleet Management has had thirteen recruitments for the three classifications cited above and, of those, only two yielded the desired number of candidates needed. These were filled largely from internal promotions - see the recruitment section on Attachment 2 for Construction Equipment Mechanic. There has been an inadequate pool of qualified applicants and often when qualified applicants are interviewed and offered positions, they have declined the job offer based on insufficient compensation, especially at the entry level. Many applicants declined to even interview for the same reason.

To add to this situation, Fleet is losing many of its current mechanics to other internal agencies that pay higher salaries. The pay structure of our three mechanic classifications is generally lower than that of other comparable skilled County classifications as well as that of other governmental and private agencies, especially dealerships. The result is that the division is losing a significant number of our higher-skilled and newer mechanics, especially Heavy Duty Truck Mechanics, to other County departments because of higher pay for essentially the same, or less, skilled work. Some of the classifications that these mechanics are leaving for are: W & S Plant Mechanic, W & S Plant Diesel Mechanic, Aviation Heavy Duty Truck Mechanic and Auto Mechanic, Bus Mechanic 1 & 2, and Construction Equipment Mechanic at Parks & Recreation. Attachment 3 is a list of mechanics that have left Fleet Management during the past few years for higher pay at other County departments performing similar work.

Comparison of MDFR Heavy Fleet at Start and End of MOU Pilot Phase

Table D-1. Summary

	Date:	January-03	January-05	Difference
	Frontline Fleet			
	Total Age	443	385	-58
	Total Number of Vehicles	88	97	9
	Average Age	*5.03*	*3.97*	*-1.06*
(1)	**Reserve/Special/Training w/ Deadlined**			
	Total Age	729	521	-208
	Total Number of Vehicles	63	57	-6
	Average Age	*11.57*	*9.14*	*-2.43*
(2)	**Reserve/Special/Training w/o Deadlined**			
	Total Age	485	521	36
	Total Number of Vehicles	46	57	11
	Average Age	*10.54*	*9.14*	*-1.40*

Table D-2. MDFR Heavy Fleet at January 2003

		Total Age	Total Number	Average Age
	Frontline Fleet			
	Rescue	143	42	3.40
	Engine	164	26	6.31
	Squirt	116	17	6.82
	Ladder	20	3	6.67
	Subtotal Frontline Fleet	443	88	5.03
	Reserve/Special/Training			
(1)	Subtotal Reserve w/ Deadlined	729	63	11.57
(2)	Subtotal Reserve w/o Deadlined	485	46	10.54
	Total Fleet w/ Deadlined	1172	151	7.76
	Total Fleet w/o Deadlined	928	134	6.93

Table D-3. MDFR Heavy Fleet at January 2005

		Total Age	Total Number	Average Age
	Frontline Fleet			
	Rescue	107	48	2.23
	Engine	90	29	3.10
	Squirt	162	17	9.53
	Ladder	26	3	8.67
	Subtotal Frontline Fleet	385	97	3.97
	Reserve/Special/Training			
(3)	Subtotal Reserve	521	57	9.14
	Total Fleet	906	154	5.88

Notes:

(1) This total includes all MDFR Emergency Vehicles other than those in the Frontline Fleet, inluding 17 vehicles that were not in use in the reserve fleet, but still on Miami-Dade County property awaiting sale ("deadlined").

(2) This total reflects only Reserve/Special/Training Vehicles and does not include deadlined vehicles.

(3) No deadlined vehicles were listed in the inventory provided by MDFR.

Source: MDFR

MDFR Fleet Maintenance
ATTACHMENT F

GSA FLEET MANAGEMENT OPERATIONAL RATE STRUCTURE
FISCAL YEAR 2002-2003

HEAVY EQUIPMENT REVENUE

Expenditures:

Base Budget	$ 23,936,000
+ Share of Fleet Administration Cost & Transfers	$ 1,604,000
	$ 25,540,200

Revenues:

Direct Chargeback

1.	Anticipated Fuel Revenues	$ 2,615,000
2.	Anticipated Commercial Revenue	$ 4,840,000
3.	Anticipated Parts Revenue	$ 8,514,000

TOTAL DIRECT CHARGEBACK $15,969,000

Amount to be Captured
Through Labor Rate (Exp – Rev) $9,571,200

# of Production Employees are Equivalent to 113 Man Years

Total Available Hours (1 Man Year) = 2080

Less Annual, Holiday, Trng. & Admin.
Leave, Sick and Injury (240)

Net Available Hours **1840**

Percent on Clock	x	Billable Hours Per Employee	x	No of Employees	=	Total Billable Hours
83%		1,840		113		172,573

LABOR RATE CALCULATIONS

Amount to be Captured through Labor Rate:	$9,571,200		
Billable Hours:	172,573	=	$55 Labor Rate

Comparison of Commercial Subcontracting Costs Before and During the MOU Pilot Phase

Subobject	Description	(1) FY 01-02	(2) FY 02-03	(3) FY 03-04	
24010	ENGINE REPAIRS	233,640	90,123	1,763	(4)
24011	STEERING REPAIRS	8,773	5,459		
24012	TRANSMISSION REPAIRS	98,748	76,609	7,977	(4)
24013	AXLE REP	5,245	752	2,315	
24015	FUEL SYS REPAIRS	3,703	5,938	163	
24025	TOWING	27,218	26,862	12,671	(5)
24030	BODY WORK REPAIR	123,000	29,879	10,691	(4)
24031	AUTOMOTIVE GLASS REPAIR	6,924	3,886	4,247	
24033	COMMERCIAL TIRE REPAIR	4,423	5,736	5,425	
24034	A.C., VENT REPAIRS	60,252	400		(4)
24035	ELECT./COMPUTER REPAIR	2,156	4,772	4,705	
24037	WELDING REPAIRS	20,239	29,873	5,965	
24039	MODIFICATION REP	27,914	6,367	13,143	
	ALL OTHER SUBOBJECTS	6,066	6,149	2,545	
Total Object 240 - Outside Contractual		**628,301**	**292,805**	**71,610**	

Notes:

(1) FY01-02 data as reported in FAMIS GS02247536 month 14 report and reflects only GSA's payments to commercial subcontractors for work performed on MDFR heavy emergency vehicles and does not include the 10 percent mark-up that was added to these costs GSA billed MDFR.

(2) FY02-03 data as reported in FAMIS FRELOGSHOP2 month 14 report. Since the pilot phase began after the first quarter of the year, various expenses incurred prior to January 2003 had to be transferred by journal entry to the FRELOGSHOP 2 index code.

(3) FY03-04 data as reported in FAMIS FRELOGSHOP2 month 14 report.

(4) The largest reductions in commercial subcontracting expenses were in these categories. MDFR attributes these reductions to a decision to undertake a greater proportion of complex repairs in-house and the achievement of additional certifications by Fire Shop Heavy Mechanics.

(5) MDFR attributes reduction in towing expenses to better rates negotiated for countywide towing services and management decision to find alternatives to towing (sending out mobile mechanics, driving units in) whenever possible.

MDFR Fleet Maintenance
ATTACHMENT J

Comparison of Pre- and Post-Reclass Salary Ranges for GSA/MDFR Mechanics

		Bi-Weekly Salary								
									Longevity Steps Steps (8-9)	
Title	**Timeframe**	**Step 1**	**Step 2**	**Step 3**	**Step 4**	**Step 5**	**Step 6**	**Step 7**	**Step 8**	**Step 9**
Heavy Duty Truck Mechanic	Pre Reclass	1,131.47	1,184.55	1,237.54	1,293.35	1,354.77	1,417.50	1,483.64	1,558.40	1,633.15
Heavy Equipment Technician	Post Reclass	1,417.50	1,483.64	1,558.40	1,633.15	1,707.93	1,788.44	1,877.53	1,969.57	2,064.44
% Salary Increase		***25.3%***	***25.2%***	***25.9%***	***26.3%***	***26.1%***	***26.2%***	***26.5%***	***26.4%***	***26.4%***
Automotive Mechanic	Pre Reclass	1,081.25	1,131.47	1,184.55	1,237.54	1,293.35	1,354.77	1,417.50	1,483.64	1,558.40
Light Equipment Technician	Post Reclass	1,184.55	1,237.54	1,293.35	1,354.77	1,417.50	1,483.64	1,558.40	1,633.15	1,707.93
% Salary Increase		***9.6%***	***9.4%***	***9.2%***	***9.5%***	***9.6%***	***9.5%***	***9.9%***	***10.1%***	***9.6%***

Though the reclassification was initiated to address inadequacies in the compensation of heavy and light fleet mechanics, it also resulted in a corresponding upward adjustment to shop supervisor salaries.

Under the incentive program currently in place, Heavy Equipment Technicians are eligible for up to $1,500/year bonus (paid out in bi-weekly installments) for achieving various levels of EVT certifications.

Brief Descriptions of Additional MDFR Efficiency Initiatives

The MDFR Mobile Equipment Bureau implemented two programs, the *Alternate Response Unit (ARU) program* and the *Small Equipment Maintenance and Repair Program (SEMRP)* that increased efficiency, improved service delivery and reduced downtime of heavy fleet and small equipment repairs.

Alternate Response Unit (ARU) – This program consists of two rescue trucks, one engine and one squirt truck from the reserve fleet that have been stocked with standard equipment (such as hoses, small equipment, etc.). It allows a crew to change out of a vehicle requiring a repair and be back in service in the ARU in less than 15 minutes while the repair is completed. The ARU is primarily used in instances where repairs are likely to take between three and ten hours. Without the ARU, a complete change-out normally takes three to four hours. MDFR estimates that the ARU Program has saved over 4,000 hours of down time during the past two years.

Small Equipment Maintenance and Repair Program (SEMRP) – This is a preventive maintenance and door-to-door repair program for gasoline-powered small equipment (such as rescue saws, chainsaws, hydraulic rescue tools). The program consists of biannual visits to each station to service and inspect small equipment (over 700 pieces in total). Inspections include basic items such as spark plugs, filters, fuel line and pull cords. MDFR estimates that the SEMRP has reduced small equipment downtime from an average of 3 weeks to 48 hours and the cost of repair from $35 to $60 per instance to less than $15. These process improvement initiatives significantly helped MDFR reduced their downtime for some heavy fleet and small equipments and, while they appear to have a significant impact on MDFR operations overall, they are not within the specific purview of the Fire Shop.

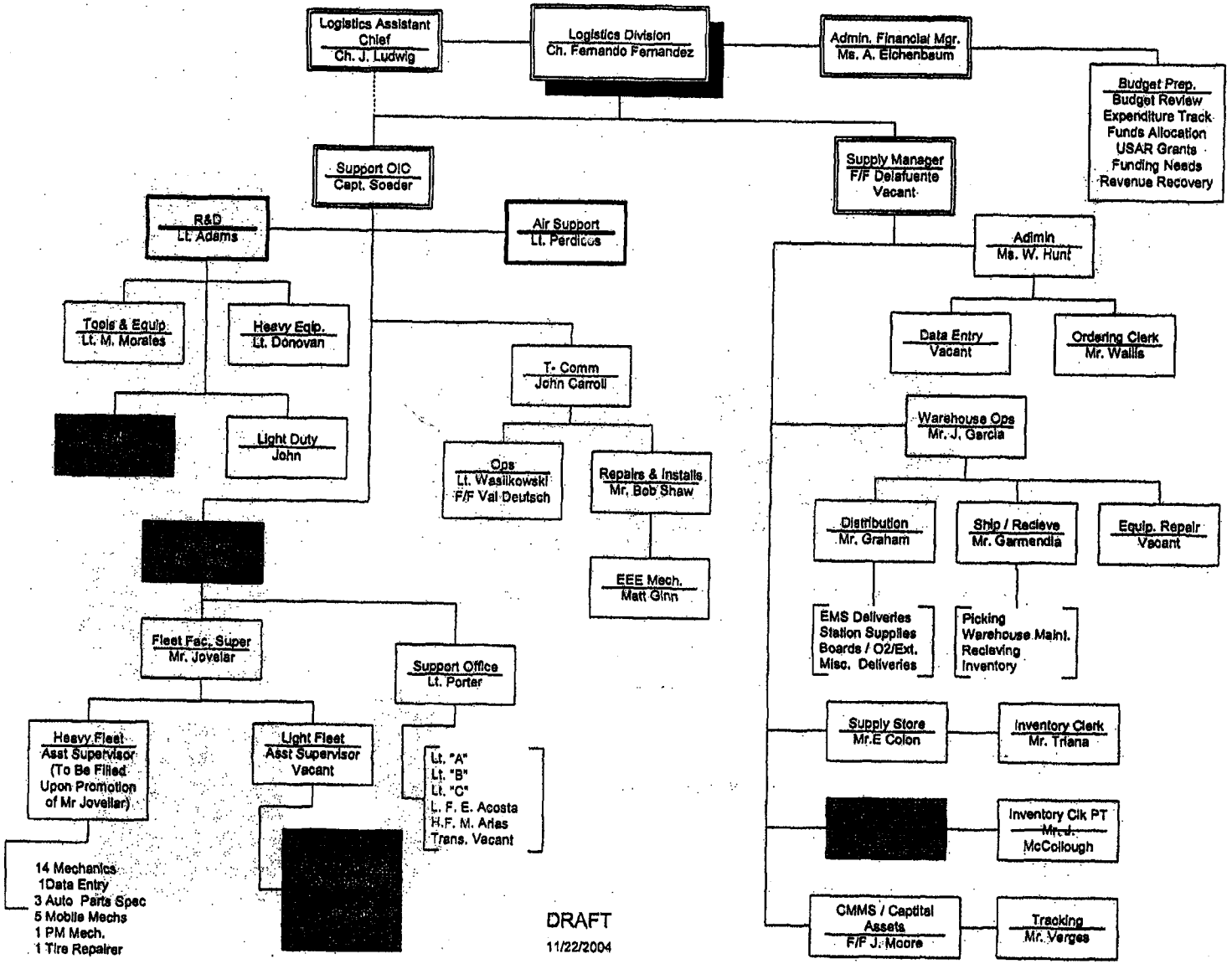
By structuring the Fire Shop as mentioned above, we will be able to achieve the following operational efficiencies:

- Be able to control and prioritize all repairs and maintenance
- Have crossed trained mechanics that will be able to work on all equipment and apparatus
- Be able to better manage personnel leave, training and downtime
- Achieve cost efficiencies – one shop for all our vehicles
- Operating cost is projected to be $4.128 million during the first full fiscal year
- Centralization of parts store will reduce the need for additional personnel
- By working with our current infrastructure and personnel, we can achieve additional operational efficiencies by reducing redundant supportive infrastructure and personnel, currently used by the current Light/Medium Duty Shops

Attached you will find the projected expenditure sheets, table of organization, and space considerations. Should you need any additional information, please feel free to contact me.

MDFR Fleet Maintenance

ATTACHMENT M3 – MDFR Logistics Division Proposed Table of Organization (including Light/Medium Fleet Management)



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MDFR Fleet Maintenance
ATTACHMENT M5 –Detail of MDFR's Proposed Light/Medium Shop Start-Up Expenses

LIGHT FLEET SHOP
TOOLS EQUIPMENT
INVENTORY

DESCRIPTION	MANUFACTURER	MODEL #	QTY	COST	TOTAL
Brake Lathe	Ammco	4000B	1	$5,029.00	$5,029.00
Brake Lathe Bench	Ammco	2500	1	$459.00	$459.00
Auto Adapters	Ammco	Kit C	1	$1,329.00	$1,329.00
On Vehicle Brake Lathe	Ammco	800DLX	1	$5,749.00	$5,749.00
Thermometer	Balkamp	7001873	1	$173.40	$173.40
Lap Top Computer	Dell	PP01L	2	$3,000.00	$6,000.00
Transmission Jack	Eagle	3190A	1	$599.00	$599.00
Tire Changer	Eagle	EB-1030	1	$1,495.00	$1,495.00
Balancer	Eagle	ETC-530	1	$1,695.00	$1,695.00
9000 LB Lift	Eagle	MTP-9A	2	$2,295.00	$4,590.00
12,000 LB Lift	Eagle	TP-12	2	$4,399.00	$8,798.00
15,000 LB Lift	Eagle	TPO-15	1	$5,799.00	$5,799.00
18 Gal Oil Drain	Eagle	2400-19	3	$227.00	$681.00
Air Reels (50')	Grainger	2Z864	5	$318.00	$1,590.00
Electric Reel (50')	Grainger	4V069	5	$548.50	$2,742.50
Floor Jack (2 Ton)	Lincoln	W93642	1	$199.00	$199.00
Floor Jack (3 Ton)	Lincoln	W93652	1	$469.00	$469.00
Floor Jack (4 Ton)	Lincoln	W93657	1	$1,195.00	$1,195.00
Wheel Dolly	Lincoln	W93765	1	$799.00	$799.00
Electronic Service Manual	Mithcell		1	$5,000.00	$5,000.00
Battery Charger	NAPA	852250	1	$167.00	$167.00
Battery Load Tester	NAPA	MCR 500	1	$625.00	$625.00
Battery Tester	NAPA	MCR 700	1	$440.00	$440.00
Grease Reels (50')	NAPA	BK395-2093	5	$1,349.00	$8,745.00
Oil Reels (50')	NAPA	BK395-2092	5	$1,758.00	$8,790.00
Transmission Fluid Reel (50')	NAPA	BK396-2092	5	$1,758.00	$8,790.00
Safety Waste Cans	NAPA	823-1001	5	$62.12	$310.60
Jack Stands (7 ton)	NAPA	791-5160	10	$83.99	$839.90
Jack Stands (4 ton)	NAPA	791-5050	10	$67.99	$679.90
Tap & Die (Standard)	NAPA	T1154	1	$377.72	$377.72
Tap & Die (Metric)	NAPA	T1153	1	$193.00	$193.00
3/4" Impact Gun	NAPA	6-771	1	$280.00	$280.00
Brake Bleeder	NAPA	SER2222	1	$229.00	$229.00
Torque Wrench (250 FP)	Snap On	TQFR250E	1	$260.00	$260.00
Torque Wrench (600 FP)	Snap On	TQR600E	1	$855.00	$855.00
Rear Axle Puller	Snap On	CJ2003A	1	$383.50	$383.50
Steering Wheel Puller	Snap On	CJ131P	1	$190.25	$190.25
Batt Group Puller Set	Snap On	CJ2001P	1	$151.00	$151.00
Box Type Puller	Snap On	CJ200Z	1	$387.50	$387.50
Power Steering Puller Set	Snap On	CJ132A	1	$82.95	$82.95
Scanner	Ventronix	3100 Master Tech	1	$5,600.00	$5,600.00
Engine Analizer	Ventronix		1	$7,945.00	$7,945.00
Gas Analyzer	Vetronix	MPS1100	1	$8,900.00	$8,900.00
Cabinet	Vetronix	MTS6100	1	$3,000.00	$3,000.00
A/C Recycler	Viper	7000	2	$4,250.00	$8,500.00
A/C Leak Detector	Viper		1	$1,000.00	$1,000.00
Work Bench	Grainger		5	$180.00	$900.00
Vises	Grainger		5	$125.00	$625.00
Bench Grinders	Grainger		1	$500.00	$500.00
				TOTAL	$121,918.22